8 March 1976

AN ESSAY FOR: Chief, DDI Management Staff

SUBJECT : On the Quality of Intelligence

1. One gathers that we are near the crest of the latest wave of criticism of the quality of our finished intelligence product. The author, having ridden out a number of these waves before, offers a number of thoughts about the criticism, both in hope of stimulating others' thinking and of encouraging solutions that address the real problems involved.

2. The first point to be made, in my view, is that the criticism of our product cannot be taken wholly at face value. The reason that it must not is that the pretense of US foreign policy-making differs markedly from the reality, and many would have us consider their criticism in terms of the pretense. This pretense "model" supposes that State and Defense make policy recommendations to the President, that the President weighs the recommendations in light of the finished intelligence he receives, that the President then usually consults with the appropriate committees of Congress, and that the President finally decides on a policy that all members of the foreign policy community support.

3. The reality is quite different, of course, and I will not go into great detail. But a few points do need to be made. All Presidents since Eisenhower have found the State and Defense bureaucracies unable or unwilling to come up with policies that would have allowed these Presidents to go off in the new directions they wanted. Sooner or later, the decision is made to ignore the bureaucracies, and once this happens the White House becomes not a weigher of recommendations but an advocate of a particular set of policies. The Agency's finished intelligence then constitutes as much a threat to the policies of the White House as it does to State and Defense. It should be as strange to hear praise for our product coming from the National Security Council Staff as it is rare from State or Defense.

4. The second point to be made is that the foreign policy-making community has been broadened in this decade to include a number of power centers on the Hill. Since they are the new boys on the block, they have a particular interest in discrediting those who previously had

sole possession of the turf. While the quality of the Agency's product does not loom large in their perspectives, criticism of it is criticism of the establishment, and occasionally our product can be used as a device for getting at the Hill's real adversaries--the White House, State, and Defense, depending on which committee or personality you are considering.

5. What we must realize, therefore, is that the current system of foreign policy-making condemns us to have as principal consumers the very institutions to whom we pose a threat--i.e., the threat that our analyses will undercut the arguments they use to justify their particular lines of policy. That our consumers should be critical is, therefore, as natural a politician's distrust of the press. We are a force to be kept off balance and on the defensive. One fine way to do this is never to be satisfied. Dissatisfaction may work even better than keeping us occupied, having us working on the wrong subjects, or denying us vital items of information, with all of which we are by now familiar.

6. On the assumption, nevertheless, that we can always do our work better, let us examine the criticisms to see what we might learn. In my mind, these criticisms fall into four general categories: wrong judgments about critical developments (the last Middle East War); bias (arms estimates); irrelevance (analyses of coups in Central America); and shallowness (across the board).

7. Starting from the top, we must admit that we do occasionally come down on the wrong side of a will-or-won't analytical proposition; the Cuban missile crisis, the Soviet invasion of Czechoslovakia, the Middle East war, and the Cyprus coup are all favorites in the litany of intelligence failures. To place these failures in perspective, we must first consider the capability-intention problem of analysis. Our sources are usually very good about supplying the information that allows us to determine that a country has assembled a capability to do something, and we faithfully report this development to the policy makers. In my opinion, the intelligence community has done something quite important when it has established that a capability exists, for this means that the policy maker should do his contingency planning in case the capability is used; when the capability is exercised, it is almost always too late for the policy maker to do anything about it. Establishing capability, illogically, hardly ever satisfies the policy maker; he insists on being told whether or not it will be used.

8. When it comes to giving a will-or-won't answer, the analyst is always on shaky ground. First, the mere assembling of a capability often obviates the need for exercising it, despite the claims many will make after a wrong decision has been delivered. Secondly the decision

whether or not to exercise the capability will be made by a very few men, and the analyst almost never gains insight into how they are thinking from the reports available to him. So, in the end, the analyst makes a list of the military, economic, and political factors that must be in the minds of those few who will decide, and the analyst then makes a decision about how, if he were an Egyptian or a Soviet, he would go.

9. We are now to the nitty-gritty. An analyst is not a scientist or a logician; he is a detached observer who, if he is to stand a chance, has immersed himself in the culture of his country and studied its leaders until he can predict how the leaders of that culture will normally react. The problem is that argument based on this sort of knowledge cannot be totally convincing; it will be attacked as undocumented hunch. Whether the analyst gets worn down or simply takes a purely logical approach from the beginning, he can easily end up arguing for rational behavior on the part of those few leaders who may see the imperatives of a situation in a different light--and who will often prove him wrong.

10. There is more to the nitty-gritty than analyzing. At these crunch points, the analyst almost always receives a number of reports of about the same reliability, some of which support a yes answer and some of which support a no. Which does he choose? The problem, while particularly acute at times of crisis because a number of sources are passing on what the target government wants the analyst to hear, is one that plagues an analyst throughout his career. The answer is, of course, that analysts must be able to view all information skeptically, evaluate a report against their knowledge and intuition, and accredit to each individual report the worth it deserves. In my experience, this skeptical bent of mind is something some analysts are born with and hone to a keen edge in the early years of their employ. I have never been able to develop it in analysts who did not possess some measure of it when they arrived on the job. Analysts have been known to choose the wrong report when they don't have this talent.

11. Current trends in the intelligence community do not promise that we will perform appreciably better in future will-or-won't situations. The avenues being pursued to improve the quality of intelligence have to do with the handling of information so that no item of information is overlooked; the real problem is to separate the wheat from the chaff. Employ new analytical methodologies, we are told; you can't get intuitive judgments out of a machine. Transnational and global problems, it is said, are the issues gripping policy makers; country analysts, the bedrock of any analytical community, aren't country analysts when they go transnational.

12. Country analysts, moreover, are hard to keep happy in their work. The Polish analyst gets quite a bit of satisfaction from knowing Poland, but when no one else seems to care, the Polish analysts wants to move on. Our personnel policies, in addition, encourage the very mobility that deprives us of country expertise. Upward mobility almost always involves moving to a new country, a staff job, or to management of analysis on an area outside one's area of expertise. And, finally, being right or wrong seldom has anything to do with rewards and punishments. No attempt is made to keep an analysts' track record on all the little judgments he makes in his daily production, and, if the analyst misses a biggy, we all rally around him as long as he argued his case well.

13. Turning to the question of bias in our finished intelligence product, the accusation one hears most often is that our arms estimates accredit to the Soviets more benign intentions that they actually have, witness our low estimates of the numbers of ICBMs they would ultimately field. While I can imagine how easily a military analyst might slip into automatic opposition to consistently inflated estimates from the Defense intelligence agencies, I am not all that familiar with military estimating and have no evidence that this is the case.

14. The counter most often heard to the accusations against us is that we have not been able to do enough basic research, with the result that our estimates are too often based on out-of-date data banks. This may be true, and if so needs correcting. But to me it misses the central point about military estimating. Soviet military requirements and current Soviet military spending may form the base for estimating Soviet intentions, but the critical factors in determining Soviet defense decisions are, as in this country, political. Perhaps our problems in this area need to be addressed, not only with more basic research, but also by giving more attention to the domestic and foreign political factors that influence Soviet defense spending.

15. Bias, of course, is not limited to our military intelligence. Our political articles are full of potentially emotional words that reflect the intellectual and moral attitudes of our analysts. Because analysts tend to rate democracy more highly than authoritarianism, for example, they tend to write disparagingly about military dictatorships. I recall that DCI Schlesinger told OCI to stop using the word corrupt to describe regimes unless corruption were an issue in the country under consideration; otherwise, whether a regime was corrupt was not relevant. Similarly, we in OCI stopped using the word reform to describe change because one man's reform was another man's upsetting the apple cart.

16. I agree completely that we have to be careful about the words we use in our publications. We are in the business of analyzing foreign countries, not in passing moral judgments on them. The extensive use of emotional words risks so inflaming the reader that he does not get, or will not accept, the legitimate judgments we make. In other words, we must remain professional.

17. Having said that we must be fastidious about not passing on our biases, we must not, at the same time, abdicate our responsiblity to bring unpalatable facts to the attention of policy makers. When policy makers deal with regimes and cultures that do not measure up to ideal US standards, no matter how cooperative these regimes may be, the policy makers' actions are vulnerable to attack. Ask any Lockheed executive. So we should offer reminders, even at the risk of being considered the pinkos of the intelligence coummity. What we must be is judicious in our reminding, and judiciousness is primarily the responsibility of those who control our editorial policies and edit our products.

18. As for the irrelevance of our finished product, the charge usually means that a policy maker has seen a memo or article on a subject in which he is not interested. One could only admire the arrogance of such a charge, were not the potential consequences so serious. In an age of shrinking resources, we obviously must shift resources as the interests of policy makers shift. But we have tasted over and over again the bitter fruit of pruning back too far--from Hungary in the mid-1950s to the Dominican Republic in the mid-60s to Angola and Portugal in the mid-70s. The point is that we must maintain on all countries a capability that can be built upon when the need arises.

19. Once the decision to maintain an across-the-board capability is made, the problem becomes what use one makes of the capability beyond maintaining files and briefing the occasional ambassador who is also interested. A good analyst can almost always find something going on in his country, and he wants to tell someone about it. If he is not given a vehicle for doing so, he is apt to develop poor work habits and otherwise allow his abilities to atrophy. And then he won't be ready when you need him. If you publish his work, you lay yourself open to the charges of irrelevance.

20. The problem, then, is a managerial one. The analyst must be allowed--even forced--to produce, but the product must be kept from reaching the top. As for appropriate vehicles, we have some, like staff notes, and perhaps we should invent more for analyst-to-analyst communication. (In this sense, is it not a pity that we do not still have the old NIS and handbook programs to justify global coverage and offer an opportunity to keep it exercised.)

21. The larger problem comes in restricting dissemination. First, we have the NID with its large capacity for delivering finished intelligence. The temptation is to fill it up, even if this means publishing low priority analysis. Secondly, we have the NIB; if we don't produce articles on marginal subjects, DIA will, and we all look foolish for it. Finally, we are not in charge of our memoranda and report writing; the NIOs are. If they wish us to produce analyses on marginal subjects, we must, and they can disseminate it where they will. No doubt, those who are reorganizing the community and agency are addressing the managerial problems we have in this area.

22. The charge of producing a shallow product is, for me, the hardest with which to deal. The variations on the theme are almost endless; to consider a few:

A. Not-comprehensive. Usually this means that we have not provided our analysis in full so that the reader can follow the thought process by which we reached our conclusions. What this means, of course, is that while we thought we were writing a paper for a policy maker, who will not read more than three pages, in fact we were writing for one of his staff. Should we reconcile ourselves to the fact that the bulk of what we write is for staffers and tailor our product accordingly--i.e., let them do the executive summary?

B. Old Hat. You can't convey new information and develop new lines of analysis if you are forced to work with the same old reports.

C. No Alternatives Presented. What a feckless exercise, as those who have worked on NSSMs know all too well. You spend hour after hour trying to make straw men credible, and the reaction is usually: "That's no real alternatives; it doesn't make sense."

D. Too Narrow. This frequently means that an economic article does not go on to estimate political consequences or that a political article does not go into the full economic and military background. I would not argue against interdisciplinary analysis, but I would point out that it is labor-intensive and that it naturally leads analysts into the trap of predicting rational behavior on the part of foreign leaders. Were economics always a critical factor, Yugoslavia never would have broken with the Cominform, the EC would be a fully operating institution, the USSR would have switched back to private agriculture, and Mozambique would never have closed its border with Rhodesia. Were military balance always a key factor, the Anschluss would never have occurred, South Yemen would still be a British colony, Sadat would not have launched the last Middle East War, and China would not be provoking the USSR along their common borders. Interdisciplinary analysis is swell, but it must not be allowed to get in the way of the country political analyst.

E. Not Scientific. Methodologies and ADP machinery, I assume. Again, I would not argue against the use of either. Methodology forces analysts to be more systematic in their thinking, and machinery can help them organize their raw material. But there are decided limitations to both. For any given analytical problem, there are any number of models that can be used. On Soviet domestic policy, for example, one can go with elite analysis, bureaucratic, geographic (Moscow vs. Leningrad vs. Kiev), factional, ethnic, and so on. None alone gives the right answers and, ultimately, one comes to ask how many approaches one must utilize to analyze a problem. As for machinery, as previously stated, political analysis is not a science; the factors that must be considered cannot be quantified. A machine, therefore, cannot predict when a leader will die setting off a succession crisis, nor can a machine predict who will come out on top. So one comes back to the same point: methodology and machines are neat, but they must not be allowed to divert an analyst from his real necessity--i.e., immersing himself in the culture of his country and getting to know its leaders like the back of his hand. Intuitive judgments basically determine the quality of our product.

23. So where do we come out, having perhaps placed political analysis close to the occult? In my view, neither what we need nor how we should go about getting it is all that mysterious. We need the sort of people whose work can be found every day on the editorial pages of the press. The schools do not produce them, so we need to hire promising young people and invest some time and money to see that they round out their credentials as area experts and learn how to write the way we want. Next, we must keep a track record on these budding analysts and ruthlessly weed out those who, for all their talents, do not consistently display that critical talent for finding their way through analytical mine fields without missteps. And, finally, we need a managerial system that allows the survivors to achieve fame and fortune while doing what they do well, instead of being forced to change professions. It may, of course, be desirable also to reorganize the DDI geographically, to foster staffs of experts in methodology and ADP applications, and to alter the means and format of what we deliver. But if we are deadly serious about improving the quality of our product, then it is to the development of the super analyst that we should primarily look.

25X

MEMORANDUM FOR: Dick

I have made it a practice to occasionally relieve myself of my opinions for the benefit of the Management Staff. I thought you might be interested in seeing this one, for I touch on matters you must be dealing with.

Mark

3/9/76
(DATE)

FORM NO. 101 REPLACES FORM 10-101
1 AUG 54 WHICH MAY BE USED.

(47)